

## **Housing Opportunities for Persons with AIDS (HOPWA)**

### ***Goal:***

The goal of this module is to make the HOPWA grant recipients and CPD Field Office staff aware of the key challenges in managing the HOPWA program, recent accomplishments on these matters and additional actions that can be undertaken to sustain solid program performance. These items involve a number of management actions that are underway at CPD that will implement elements of the President's Management Agenda and the Department's 2002 Management Plan. The Office of HIV/AIDS Housing will also survey Grantees and Field Office Directors and Managers on their general assessment for technical assistance support.

### ***Objectives:***

At the end of the presentation and dialogue, participants will be better able to:

- Understand some key aspects of AIDS housing challenges now facing communities.
- Recognize significant accomplishments by HOPWA grantees and the CPD team in management of this Federal program.
- Focus on priorities for advancing program performance by implementing management initiatives and in making enhancements in HUD's grant management tools.

## *Summary of Content*

### A. Challenges.

- The growing scope of AIDS housing needs.
- Difficulties for Cities and States in setting priorities with limited public resources.
- Growing concern for the sustainability of nonprofit organizations that provide housing and related care.
- Gaps in HOPWA program performance in some communities.

### B. Accomplishments.

- The record achieved by nonprofit organizations and other recipients of funding in demonstrating a capacity to make use of HOPWA resources.
- In related efforts to plan and coordinate two differing service delivery systems—housing and health/human services.
- HUD's partnerships with State and local recipients that support creativity and good management of AIDS housing efforts.

### C. Next Steps.

- Continuing the focus on results-oriented management.
- Furthering these collaborations in new ways and with new partners in learning from the evaluation of these efforts.
- Efforts to better engage with nonprofit organizations that face challenges.
- Enhancements to the HOPWA grants management tools.

## ***Instruction Sections***

### **A. Challenges.**

*The growing scope of AIDS housing needs.* The Health Resources Services Administration, HHS, currently estimates that 500,000 persons who are living with HIV/AIDS are involved to some degree in receiving benefits under the Ryan White CARE Act programs (including AIDS Drugs Assistance Programs, ADAP). HHS reports that about one-half of these persons have incomes that are less than \$25,000 per year as evidence that the HIV epidemic is closely associated with persons in poverty, many of whom also lack basic forms of health insurance.

The Centers for Disease Control and Prevention (CDC) recently estimated that about one million Americans are living with HIV, including over 340,000 who are living with a diagnosis of AIDS. CDC indicates that only about one-third of the persons who know about their HIV status are in regular forms of care. Further, CDC notes that an estimated 40,000 new HIV infections are likely occur in the 12-month period.

A further aspect to the challenges of the HIV epidemic, is a concern with the disparities in health outcomes for racial and ethnic minorities. HHS is supporting special initiatives to outreach to these populations and communities. A number of barriers reduce a person's access to treatment and care, and special challenges are also faced by women, youth, and persons in rural areas. HHS surveys of clients also generally identify the lack of stable housing as one of the top barriers to accessing care and maintaining adherence in treatment plans.

In relation to these numbers, the HOPWA and related AIDS housing programs reach 102,314 households with some form of housing assistance, (2000 program year CAPER report). Data collected by all formula grantees also show that HOPWA recipients are the very lowest income levels, with 91 percent of households having average monthly incomes of less than \$1,000. HHS and the HOPWA technical assistance providers estimate that about one-half of all persons living with HIV/AIDS will need housing assistance at some point in their experience with HIV disease.

*Difficulties for Cities and States in setting priorities with limited public resources.* The Department works in partnership with States, local governments and nonprofit organizations to carryout HOPWA activities. The formula program is accessed by 108 communities in FY2002, including 74 cities that operate activities within their greater metropolitan areas, and 34 States that operate efforts throughout the remaining areas of those states. In addition, 79 competitively-awarded projects are currently active, including 16 projects operated by State grantees, 19 by local governments and 44 by grantees that are nonprofit organizations. A number of these public entities are currently addressing budget shortfalls that may impact their ability to use State and local funds to supplement HOPWA program funding. Further, other related Federal programs also face issues of over subscription and wait lists.

AIDS housing providers also report that a number of communities will cap ADAP benefits or reduce formularies of eligible drugs due to these unmet need. Providers also report that one planning challenge is determining the appropriate balance in using funds for differing activities. They face choices in responding to the demand for increases in the number of rental assistance subsidies or for undertaking development of housing units to increase the availability of housing, especially needed in tight housing markets.

*Growing concern for the sustainability of nonprofit organizations that provide housing and related care.* A number of communities have addressed changes in their networks of nonprofits that deliver program support to clients. In some cases, this has involved insolvency by a leading AIDS service provider or the merger of organizations due to reductions in their receipt of charitable contributions or other shortfalls and management challenges. In many organizations staff changeover is all too frequent and reduces the ongoing capacity of organizations to carryout program elements. Further, a number of providers have now operated facilities that require more than routine maintenance to continue operations, and these providers are facing asset management issues. The development of long-term strategic operating plans would be important to the on-going use of these facilities. Recent HUD assessment of nonprofit performance also evidenced that many nonprofits need to improve their efforts, especially in documenting client eligibility, in making correct rent payments, in assessing changes in household needs and in using funds in a timely manner.

*Gaps in HOPWA program performance in some communities.* In some ways, the HOPWA program regulations have not kept pace with options that have been created in other related HUD programs, such as the Housing Voucher program (Section 8), in housing choices for clients and in the types of available units that can qualify for use under the program. Further, the regulations have not been updated in any significant manner since 1992. As a number of policy determinations on individual grantee requests and Field Office inquiries have occurred, the regulations could be clarified on these matter to be of benefit to all recipients.

The Department has observed that performance is not always consistent among all HOPWA programs, ranging from those that excel and other that lag behind average performance. Our monitoring of financial performance as well as other tools in assessing risks and reviewing accomplishments can be used to determine which recipients need additional support or direction. The use of data on the expenditure of funds, the accuracy and timeliness in filing performance reports with HUD, and knowledge about their responsiveness to clients, and on how successfully they address provider concerns are all tools that can be used to help further solid management of programs.

## **B. Accomplishments.**

The record achieved by nonprofit organizations and housing agencies that receive funding in demonstrating a capacity to make use of HOPWA resources. The Department has received increases in the HOPWA appropriations each year since the beginning of the program in 1992. The program has grown from 38 formula recipients and 10 competitive grantees under the FY92 funding of \$47.8 million, to the program of FY2002, with 108 formula recipients, and an expected 25 competitive grantees and two technical assistance awards under the appropriation of \$277.5 million. For FY2002, the President's budget requested an increase of \$20 million that was approved by Congress. The President's FY2003 budget request would further expand the program by \$14.5 million, and enable recipients to expand housing assistance to approximately 3,800 additional households.

Performance reports also show that HOPWA recipients have increased their capacity to make use of program funds. In the last operating year, measured by FY2001, HOPWA expenditures totaled \$260 million over that 12-month period (Office of Budget estimate) and compares to the funding available under signed grant agreements for \$232 million in new funding made available during the consolidated planning processes in 2001 and grant selections under the SuperNOFA competition. Expenditure data also shows that average monthly expenditures are at \$21 million (PAS data reported last 27 months). This performance indicates that a strong network of about 700 providers is in place to undertake activities. HHS conducted a research survey of the AIDS service delivery system that recently evidenced that over 1800 agencies are now engaged in AIDS related programs. Dr. Julia Hidalgo, Positive Outcomes, Inc. reported that 509 of these agencies provide both housing assistance along with care services. An additional 200 are known by HUD to receive HOPWA funding and are included in the AIDS Housing of Washington database on AIDS housing providers.

The reach of the HOPWA program is also greater than just its direct funding. Grantees have recently completed annual performance reporting, though HUD's collection of data on the use of funds for housing assistance and the leveraging of other funds that support their AIDS housing programs. This collection of data evidences that over 102,000 households are benefiting from AIDS housing efforts by our recipients, including 62,000 households that benefit from HOPWA funds and 40,000 additional households that benefit from the related leveraged housing efforts. (HUD CAPER report on 2000 Program Year). Further, the PD&R study evidenced one dollar of leveraged funding for each formula dollar. HUD competitive reviews have documented \$2.13 of leveraged funding for each competitively-grant dollar awarded.

*Success is also shown in related efforts to plan and coordinate two differing service delivery systems—housing and health/human services.* To ensure adequate and appropriate support for clients, the connection between housing assistance and health care and related supportive service needs must be undertaken, often though the use of services provided by case managers and housing information specialists. At the community level, these coordination is seen in community-wide planning efforts that connect the area's housing and community development efforts with the activities undertaken in the health

and human services field, along with other mainstream service programs. Formula program recipients often coordinate the use of two funding systems, HOPWA with Ryan White CARE Act funding, to support nonprofits that serve persons with HIV/AIDS. Formula recipients also demonstrate differing methods to manage this, with 62 of the 105 grantees from FY2001 being administered by the housing and community development agency in that government, 32 by the health, human services or welfare agency, and 11 by executive or central administrative offices.

On the competitive grant component, HUD has selected a number of Special Projects of National Significance that have tested specialized outreach efforts and service delivery systems to support clients, including demonstration projects that provide outreach to underserved populations. These successful models of projects are recently working to expand the program evaluation efforts and to disseminate findings and lessons learned on project outcomes. HUD has engaged in recent evaluations of the program (PD&R study by ICF, January 2000), and with HOPWA technical assistance providers to train recipients on enhancing their data collection and evaluation methods.

*HUD's partnerships with State and local recipients that support creativity and good management of AIDS housing efforts.* The dedication of HOPWA technical assistance, training and oversight funding in recent program appropriations has allowed HUD to dedicate additional technical assistance efforts. HUD established a program goal for the sound management of HOPWA resources in recent SuperNOFA competitions and selected qualified providers to undertake specialized AIDS housing training, problem resolution and other support for these program recipients. These efforts supplement the Department's direct grants management activities, such as field office risk assessment and monitoring of projects, and headquarter review of performance and design of training efforts. The program also is associated with a level of administrative flexibility that has enhanced the ability of State and local governments to make use of resources to complement other community efforts.

### C. Next Steps.

*Continuing the focus on results-oriented management.* A number of the challenges can be addressed by successfully continuing to build capacity by recipients. The Department has a new focus on reducing unexpended balances through the monitoring of financial performance. HUD will implement the new statutory requirement that limits the availability of HOPWA funds to two years for obligation and an additional five years for expenditure (e.g. FY02 funds must be used by 9-30-08 or they revert back to Treasury). Efforts to update program risk assessments will also support this goal of demonstrating achievement in performance outcomes. Grantees that are States and cities also share in the responsibility to monitor their sub-recipients and sponsors and to take appropriate actions, such as directing technical assistance support and providing additional direction, as needed, to resolve problems. Enhancement can also be made to public systems for timeliness in reimbursing nonprofits, in contracting, and in undertaking development steps as planned. Use of HUD's information technology systems has also shown to need additional attention, including training of staff and changes in the systems to ensure data is collected that is valid, timely, and useful.

*Furthering these collaborations in new ways and with new partners in learning from the evaluation of these efforts.* The Department is working to implement the Secretary's directive on improving access to mainstream health and human service programs to help ensure that clients benefit from these available resources and, appropriately, from HUD programs. Collaborations with HHS, Veterans Affairs, Education, Labor, and the Department of Justice are underway on initiatives, such as ending long-term homelessness in ten years, and reentry planning for persons leaving the criminal justice system. The President's Management Agenda includes the initiative for streamlining HUD's Consolidated Planning efforts to reduce burdens on recipients while also providing for more meaningful performance. The identification of alternative methods and the use of pilot projects should also add to the Department's knowledge in planning activities, along with related systems development to make use of internet resources and expand accessibility of government services through electronic-government tools.

For the HOPWA programs, these initiatives have direct implications. The Office of HIV/AIDS Housing has made use of technical assistance and evaluation resources to improve both grants management performance and program responsiveness to client needs. Specialized training has also been undertaken, such as webcasts on monitoring, performance reporting, orientation for new employees and evaluations. For the first time, an intensive three-day HOPWA program technical training is being scheduled (September 23-26, 2002 tentative dates) that will involve all CPD field offices in this program management effort.

The Office of HIV/AIDS Housing has also been drafting an update to program regulations and related program guidance to expand housing choices for recipients and strengthen the grants management tools for oversight of HOPWA projects. The Office has implemented the new Congressional directive on the priority renewal of projects that

provide permanent supportive housing that will result in the selection of such grants under the 2002 SuperNOFA, later this year.

*Efforts to better engage with nonprofit organizations that face challenges.* The use of HOPWA technical assistance resources, including coordination with new TA providers, will also rely on Field Office staff involvement. The development of new demonstration projects that outreach to underserved populations will also provide information of value to other communities. Further coordination should also be undertaken with other related Federal HIV initiatives, such as the \$410 million Minority AIDS Initiative at HHS that will expand the ability of community based organizations and health care providers to deliver culturally and linguistically appropriate prevention, health care, treatment and supportive services in minority communities disproportionately impacted by the epidemic.

*Enhancements to the HOPWA grants management tools.* The Office has identified a number of substantive improvements that should be made to the HOPWA regulations and is now working with legal counsel to complete the issuance of a proposed rule. Consultations with experienced AIDS housing providers is underway and Field staff should also be involved in this program updating. The Office has also directed efforts a program data cleanup with support from systems contractors that has identified corrections needed by formula recipients that use IDIS. Related system changes are also pending that would result in reducing reporting burdens and improve the quality and timeliness of performance reports. The Department may also consider additional recommendations to the HOPWA formula, based on recommendations sent to Congress in 1999. The development of training, program guidance, and performance standards is an on-going task for the office along with steps to improve CPD grants management efforts.

In summary, although challenges are great, the use of these public resources have proven to be useful in addressing the housing needs of persons with HIV/AIDS and helping them connect to available medical treatment and care.